

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5172-07
Bill No.: Truly Agreed To and Finally Passed CCS for SS for HCS for HB 1900
Subject: Ethics: Campaign Finance, Elections
Type: Original
Date: May 22, 2006

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Office of the Attorney General** stated that the AGO assumes that any potential costs arising from this proposal can be absorbed with existing resources.

Additional staff and expenses are not being requested with this single proposal, but if multiple proposals pass during the legislative session which require policy form reviews, the AGO will need to request additional staff to handle the increase in workload.

Officials of the **Missouri House of Representatives** assume no fiscal impact.

Officials of the **Missouri Senate** assume no fiscal impact.

Officials of the **Office of State Court Administrator** assume no fiscal impact on the Courts.

Officials of the **Missouri Ethics Commission** assume no fiscal impact to the commission.

Officials of the **Department of Revenue** assume no fiscal impact.

ASSUMPTION (continued)

In response to similar legislation fiscal note 5172-01 HB 1900 the following fiscal impact statements were issued.

Officials of the **Office of the Secretary of State - Administrative Rules** stated that many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The Secretary of State's office is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to Secretary of State's office for Administrative Rules is less than \$1,500. The Secretary of State's office recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, we also recognize that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what our office can sustain with our core budget. Therefore, we reserve the right to request funding for the cost of supporting administrative rules.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

Officials of the **Department of Corrections** assume no fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

RWB:LR:OD (12/02)

This bill changes the laws regarding lobbyist reporting requirements and campaign contribution disclosures for public officials. In its main provisions, the bill:

- (1) Requires "elected local government official lobbyists," defined as persons specifically employed to influence actions by the officials of specified political subdivisions with operating budgets of over \$10 million, to register in the same manner as other lobbyists and provide details of their expenditures according to specific criteria;
- (2) Prohibits lobbyists from paying for out-of-state travel for members of the General Assembly or their staff, spouses, or dependent children unless the expenditure is approved by the Administration and Accounts Committee of the House of Representatives or the Administration Committee of the Senate;
- (3) Requires lobbyists to include expenditures for all members of either a majority or minority caucus of the General Assembly in their monthly reports to the Missouri Ethics Commission and requires that expenditures not made to the entire House of Representatives, Senate, or majority and minority caucuses be attributed to individual legislators;
- (4) Revises the procedures for filing complaints under Section 105.957, RSMo, involving lobbying, financial interest disclosure, and campaign finance disclosure and specifies that those filing false complaints may be subject to civil litigation;
- (5) Requires the executive director of the commission to notify candidates and the treasurer of a campaign committee of the failure to file campaign disclosure reports and the fines that will be assessed. Notice will no longer be required for deputy treasurers;
- (6) Prohibits those who have been convicted of or have pled guilty to a felony from holding elective office and anyone who owes the state personal income or property tax or is a past or present corporate officer of a fee office that owes taxes from running for office unless the tax is currently in dispute or is paid within a specified period of time;
- (7) Prohibits the formation of candidate committees for the offices of Speaker of the House of Representatives and President Pro Tem of the Senate and requires candidate committees to be formed 60 days prior to an election;
- (8) Removes the maximum contribution limits per election year for most statewide elected offices by repealing parts of Section 130.032 and prohibits any candidate for statewide office, except candidates for a special election, from accepting campaign contributions during the legislative session;
- (9) Prohibits the donation of money by political party committees to candidate committees, continuing committees, or other political party committees and requires the disclosure of campaign contributions from political, campaign, candidate, or continuing committees in the financial interest statements required by Section 105.485;

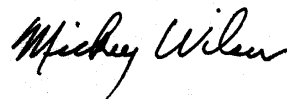
DESCRIPTION (continued)

- (10) Requires disclosure reports to be electronically filed with the commission;
- (11) Requires the commission to post on its web site the expenditures for and against candidates that are required to be disclosed under Sections 130.041 and 130.050;
- (12) Revises certain deadlines for filing disclosure reports under Sections 130.046 and 130.050;
- (13) Prohibits the filing of a complaint under Section 130.054 with the commission within 15 days of a primary or general election in which the candidate being accused of a campaign finance or disclosure violation is running for office; and
- (14) Requires the commission by January 1, 2007, to issue a report to the General Assembly on their recommendations on regulating political telephone solicitations.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of the Attorney General
Missouri Senate
Missouri House of Representatives
Office of the Secretary of State - Rules
Missouri Ethics Commission
Office of the State Court Administrator
Department of Corrections
Department of Revenue



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Director
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